GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:3306
ANSWERED ON:28.07.2009
CORRUPTION IN FPS
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Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the operation of Public Distribution System, Targeted Public Distribution System and Antyodaya Anna Yojana has been severely affected due to pilferage of foodgrains, corruption in Fair Price Shops (FPS) and frequent changes in FPS licencees;

(b) if so, the details thereof and the remedial steps taken thereon including the number of cases registered and action against the erring officials;

(c) whether the Government proposes to amend the relevant laws in this regard and check the recurrence of such incidents in future;

(d) if so, the details thereof and the time by which it is likely to be implemented;

(e) whether the system of food coupons and smart cards introduced in some States for distribution of foodgrains to check diversion and corruption is proposed to be extended to other States; and

(f) if so, the details thereof and the time by which it is likely to be implemented?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a),(b),(c)&(d): Targeted Public Distribution System (TPDS) is implemented jointly by Government of India and State/UT Governments with sharing of responsibilities in this regard. The Government of India carries out procurement of foodgrains for the TPDS, their storage, transportation and bulk allocation to the State/UT Governments. The responsibilities for allocation of foodgrains within State/UT, identification of eligible BPL & AAY families based on estimates of Planning Commission and issuance of ration cards to them, licensing of FPS as well as supervision over distribution of allocated foodgrains to eligible ration card holders through the fair price shops rest with the State / UT Governments.

Complaints as & when received by government from individuals and organizations, as well as through press reports about leakages/diversion of TPDS commodities are sent to the concerned State/UT governments for inquiry and action.

Public Distribution System (Control) Order 2001 mandates the State and UT Governments to carryout all required action to ensure smooth functioning of TPDS, including proper licensing of FPS. An offence committed in violation of the provisions of this Order is liable for penal action under the Essential Commodities Act, 1955.

During the last three years (2006, 2007 and 2008) for various malpractices noticed in functioning of TPDS, States/UT Governments have reported arrests/prosecution of 15,553 persons under the provisions of Essential Commodities Act, 1955. Further, detention orders in 442 cases were passed by the State Governments/UT Administrations during this period under provisions of the Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act, 1980.

Strengthening and streamlining of TPDS is a continuous process. For independent feedback on functioning of TPDS, Government gets it evaluated from time to time. Based on such evaluations earlier, a 9-point action plan is under implementation by States/UTs since July 2006. To further improve functioning of TPDS, Government has been regularly requesting State & UT Governments for -

(i) continuous review of lists of BPL and AAY families and ensuring timely availability of foodgrains at fair price shops;

(ii) ensuring greater transparency in functioning of TPDS;

(iii) improved monitoring and vigilance at various levels, and

(iv) introduction of new technologies such as Computerization of TPDS operations at various levels, smart-card-based delivery of essential commodities.

For reforming TPDS and ensuring food security to BPL families/persons, Government also proposes to enact National Food Security law.

(e)&(f): In order to make delivery of services efficient under (TPDS) and to assess replicability of use of smart cards for this purpose, Govt has approved in December 2008 implementation of a pilot scheme on smart cards based TPDS in Chandigarh and Haryana. Under it, eligible BPL families would be issued smart cards in place of existing ration cards. They will have biometric features of the family members, based on which verification of genuineness of the BPL families will take place and thereafter only the essential commodities would be issued to them from the fair price shops.

This is a pilot project and based on the success of its implementation, decision about extending it to other states will be taken.